

JAPANESE GOVERNMENT BONDS

Monthly Newsletter of the Ministry of Finance, Japan

October 2021

Our fundamental goal of debt management policy is to achieve stable and smooth financing for our national accounts and to minimize medium-to-long term financing costs.

SUMMARY

What's New: Issuance of the Inflation-Indexed Bonds in October-December 2021, etc. p.2

- ✓ On September 28, the 95th Meeting of JGB Market Special Participants was held in writing. The MOF decided on the “Issuance of the Inflation-Indexed Bonds in October-December 2021” and “Issuance Amounts for Liquidity Enhancement Auctions in October-December 2021.”
- ✓ On October 1, the MOF released the quarterly update to the league table of the top 10 PDs for successful bids in the JGB auctions.

Monthly Topics: JGB and T-Bill Holdings as of the end of June 2021, etc. p.3

- ✓ On September 17, the Bank of Japan (BOJ) released the Flow of Funds Accounts of the 2nd Quarter 2021, which shows the breakdown of JGB and T-bill holders.
- ✓ On October 1, the Bank of Japan (BOJ) released the TANKAN (“Short-Term Economic Survey of Enterprises in Japan”), a quarterly survey of more than 9,000 enterprises.

IR Office: “16th Annual Japan Investment Forum” held online p.5

- ✓ In early September, Mr. Hikotani, Deputy Director-General of the Financial Bureau, presented “Japan’s economy and Public Debt Management” at the “16th Annual Japan Investment Forum,” which was held online with approximately 160 foreign and domestic investors participating.

Statistics

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Ministry of Finance

www.mof.go.jp

Inflation-Indexed Bonds and Liquidity Enhancement Auctions (October-December quarter 2021)

The 95th Meeting of JGB Market Special Participants was held in writing on September 28, 2021. The MOF decided on the "Issuance of the Inflation-Indexed Bonds in October-December 2021" and "Issuance Amounts for Liquidity Enhancement Auctions in October-December 2021." (Look at the two tables below.)

1. Issuance of the Inflation-Indexed Bonds in October-December 2021

- ✓ Issuance amount in November 2021: Approximately 200 billion yen.
- ✓ The auction schedule for the Buy-Back Program of Inflation-Indexed Bonds in the October-December quarter 2021 was determined as below:

Auction Month	Auction amount
October 2021	Buy-Back: Approximately 50 billion yen
November 2021	Issuance: Approximately 200 billion yen Buy-Back: Approximately 50 billion yen
December 2021	Buy-Back: Approximately 50 billion yen

(Note1) The Buy-back will be conducted once a month.

(Note2) Issues eligible for the Buy-Back will be those with issue number 17 to 26.

(Note3) The Ministry of Finance reserves the right not to accept a part or all of bids for Buy-Back.

(Note4) The plan could be changed owing to market conditions and others.

(Source) MOF https://www.mof.go.jp/english/policy/jgbs/topics/press_release/20210929-02e.htm

Note that the supply and demand situations in the Inflation-Indexed Bonds have improved, compared with those since March 2020, when the MOF began to implement exceptional and temporary measures (the amount of Issuance: 200 billion yen and the amount of Buy-Back: 50 billion yen.)

Thus, the MOF expressed that it would like to take the discussion a step further toward the normalization of the current situation in the next meeting, based on the auction results of the Buy-Back of the Inflation-Indexed Bonds in October-December 2021 and the market situation.

2. Issuance Amounts for Liquidity Enhancement Auctions in October-December 2021

- ✓ The auction schedule for Liquidity Enhancement Auctions in the October-December quarter 2021 was determined as below:

	October 2021	November 2021	December 2021
(1) Issues with remaining maturities of 1-5 years	-	Approximately 400 billion yen	-
(2) Issues with remaining maturities of 5-15.5 years	Approximately 500 billion yen	Approximately 500 billion yen	Approximately 500 billion yen
(3) Issues with remaining maturities of 15.5-39 years	Approximately 500 billion yen	-	Approximately 500 billion yen

(Note1) The starting date for calculation of remaining maturities is September 30, 2021.

(Note2) Eligible issues for 2-year JGBs in (1) zone will be those with remaining maturities of more than one year as of October 31, 2021. It also includes those issued in the same month as the Liquidity Enhancement Auction is held.

(Note3) The plan could be changed owing to market conditions and others.

(Source) MOF https://www.mof.go.jp/english/policy/jgbs/topics/press_release/20210929-01e.htm

The League Table of JGB Market Special Participants (PDs)

The MOF released the quarterly update to the league table of the top 10 PDs for successful bids in the JGB auctions.

Top 10 PDs for Successful Bids in Auctions (Calculated by Duration) (Apr.~Sep. 2021)

1	Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.	4	Nomura Securities Co., Ltd.
		5	JPMorgan Securities Japan Co., Ltd.
2	Daiwa Securities Co. Ltd.	6	SMBC Nikko Securities Inc.
		7	Deutsche Securities Inc.
3	Mizuho Securities Co., Ltd.	8	Citigroup Global Markets Japan Inc.
		9	BNP Paribas Securities (Japan) Limited
		10	Morgan Stanley MUFG Securities Co., Ltd.

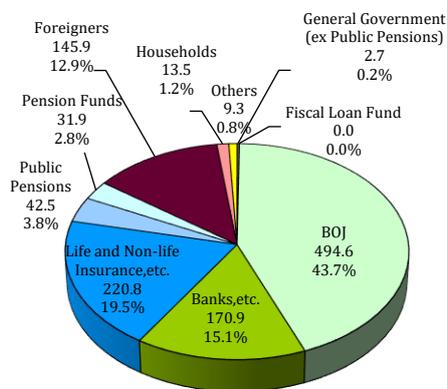
Monthly Topics

1. JGB and T-Bill Holdings (as of the end of June 2021)

On September 17, the Bank of Japan (BOJ) released the Flow of Funds Accounts of the 2nd Quarter 2021, which shows the breakdown of JGB and T-bill (hereinafter referred to as “JGBs”) holders. Here are the key statistics:

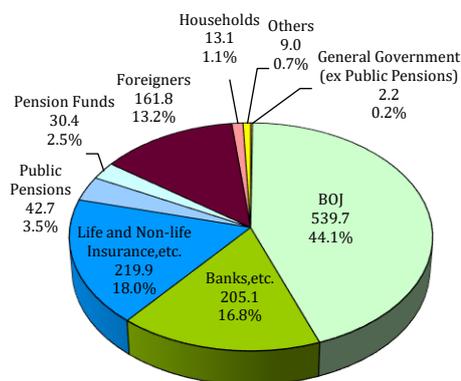
- ✓ The total amount of JGBs outstanding was 1,223.9 trillion yen.
- ✓ The breakdown: the BOJ held 539.7 trillion yen (44.1%), Domestic Banks held 205.1 trillion yen (16.8%), and Foreigners held 161.8 trillion yen (13.2%). See the right pie chart below.

The end of Dec. 2019
(Before the COVID-19 Pandemic)



Total 1,132.1trillion yen

The end of Jun. 2021
(Preliminary Figures)



Total 1,223.9trillion yen

Source: Bank of Japan “Flow of Funds Accounts”

For more detailed data, please refer to the following link:

BOJ Time Series Data Search: https://www.stat-search.boj.or.jp/index_en.html

Comparing the shares of JGBs holders as of June 2021 with those as of December 2019 (before the COVID-19 pandemic,) the total amount of JGBs outstanding increased by 91.7 trillion yen.

The BOJ holdings increased by 45.1 trillion yen (43.7%→44.1%), Domestic Banks holdings increased by 34.1 trillion yen (15.1%→16.8%) and Foreigners holdings increased by 15.8 trillion yen (12.9%→13.2%).

In 2020, city banks, foreign investors and some others posted a net buying of medium to long-term JGBs maturing in 2, 5 and 10 years. Life insurance companies, pension funds, regional financial institutions and some others increased their net buying of super long-term JGBs maturing in 20, 30 and 40 years from the previous year.

2. The Bank of Japan's TANKAN (September 2021 Survey)

On October 1st, the Bank of Japan (BOJ) released the TANKAN ("Short-Term Economic Survey of Enterprises in Japan"), a quarterly survey of more than 9,000 enterprises. The main points are as follows:

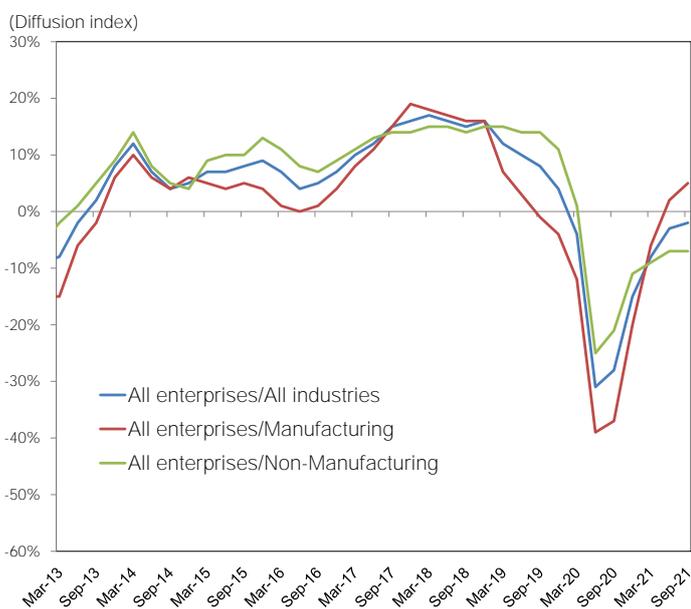
- The diffusion index for all enterprises of all industries rose from -3 to -2 in September 2021. The index improved for a fifth consecutive quarter, while the pace of the improvement slowed down (look at the left chart below and the blue line).
- The index for large enterprises in the manufacturing sector improved, which was up 4 points to 18 (look at the right chart below and the blue line).

Business Conditions

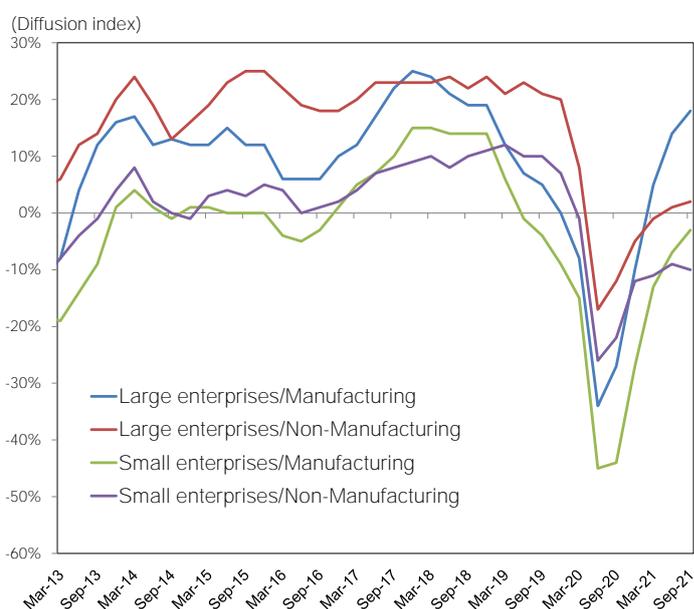
(Diffusion index of "Favorable" minus "Unfavorable", % points)

	Jun. 2021	Sep. 2021	Change between Jun. and Sep.	Dec. 2021 (Forecast)	Change between Sep. and Dec.
[Large Enterprises]					
Manufacturing	14	18	4	14	-4
Non-manufacturing	1	2	1	3	1
[Medium-sized Enterprises]					
Manufacturing	5	6	1	3	-3
Non-manufacturing	-8	-6	2	-7	-1
[Small Enterprises]					
Manufacturing	-7	-3	4	-4	-1
Non-manufacturing	-9	-10	-1	-13	-3
[All Enterprises]					
Manufacturing	2	5	3	2	-3
Non-manufacturing	-7	-7	0	-8	-1
All industries	-3	-2	1	-5	-3

(Source) Bank of Japan "Tankan"
For more information, see
<http://www.boj.or.jp/en/statistics/tk/index.htm/>



(Source) Bank of Japan "Tankan"



(Source) Bank of Japan "Tankan"

In early September, Mr. Hikotani, Deputy Director-General of the Financial Bureau, presented “Japan’s economy and Public Debt Management” at the “16th Annual Japan Investment Forum,” which was held online with approximately 160 foreign and domestic investors participating.

This year, our presentation focused on how we would implement our debt management policy in the future because last year, an unprecedentedly large amount of government debt was issued in response to the COVID-19 pandemic to finance our supplementary budgets.

Thus, he especially went through the Japanese approach toward debt management in detail. There were three key points in this discussion, as summarized below.

1. Correction of the Shortened Average Maturity of JGBs.
 - It would be important to reduce the total JGB issuance amount through fiscal consolidation and to decrease the issuance amount of the short-term bonds accordingly.
2. Impact of the BOJ’s Monetary Policy on the JGB Market.
 - When the BOJ changes its monetary policy, there would be an impact on the JGB market. Thus, we should keep an eye on this matter.
3. Maintenance and Improvement of JGB Market Liquidity and Functionality.
 - Recently, it has been said that the liquidity and functionality of the JGB market have declined due to the prolonged ultra-low interest rates. Some investors are also concerned that the number of participants in the JGB market will gradually decrease. If these matters remain unsolved, it may result in an increase of JGB issuance costs. Thus, it is important to maintain and improve JGB market liquidity and functionality.

In the Q&A session, we had some questions regarding the Japanese government’s budget. We are happy that this presentation helped investors better understand Japan’s economy and Public Debt Management.

Through virtual IR activities, we continue to provide accurate and timely information on Japan’s economy and JGB.



If you have any questions regarding the contents of this newsletter, please do not hesitate to contact us at: JGB-IR@mof.go.jp

JGB Primary Market

Auction Results (Bonds)

(Until 30 September 2021)

Auction Date	Type of Security	Issue Number	Maturity Date	Nominal Coupon	Amounts of Competitive Bids (billion yen)	Amounts of Bids Accepted (billion yen)	Yield at the Lowest Accepted Price	Yield at the Average Price	Amounts of Non-Competitive Bids Tendered /Accepted (billion yen)	Amounts of Bids Accepted at the Non-price-competitive Auction I (billion yen)	Amounts of Bids Accepted at the Non-price-competitive Auction II (billion yen)
7/1/2021	10-year	363	6/20/2031	0.1%	7,441.3	2,101.6	0.059%	0.058%	1,507	495.7	249.9
7/6/2021	30-year	71	6/20/2051	0.7%	2,643.1	727.8	0.681%	0.680%	-	171.1	84.5
7/8/2021	5-year	148	6/20/2026	0.005%	7,192.5	2,035.6	▲0.109%	▲0.115%	-	463.6	10.0
7/13/2021	20-year	177	6/20/2041	0.4%	3,446.1	980.4	0.408%	0.404%	-	218.4	67.4
7/27/2021	40-year	14	3/20/2061	0.7%	1,627.6	599.3	0.735%	-	-	-	43.9
7/29/2021	2-year	427	8/1/2023	0.005%	10,159.9	2,427.5	▲0.122%	▲0.126%	-	572.0	98.1
8/3/2021	10-year	363	6/20/2031	0.1%	6,997.0	2,099.1	0.012%	0.009%	1,265	498.6	221.2
8/5/2021	10-year Inflation-Indexed Bonds	26	3/10/2031	0.005%	574.5	199.6	▲0.174%	-	-	-	-
8/10/2021	30-year	71	6/20/2051	0.7%	2,254.4	734.0	0.651%	0.647%	-	164.9	46.4
8/24/2021	5-year	148	6/20/2026	0.005%	7,627.7	2,030.6	▲0.116%	▲0.120%	-	468.7	61.2
8/26/2021	20-year	177	6/20/2041	0.4%	3,561.5	974.9	0.408%	0.405%	-	224.2	82.8
8/31/2021	2-year	428	9/1/2023	0.005%	10,977.1	2,437.3	▲0.127%	▲0.129%	-	561.7	119.0
9/2/2021	10-year	363	6/20/2031	0.1%	7,092.6	2,112.7	0.025%	0.023%	1,280	484.6	-
9/7/2021	30-year	71	6/20/2051	0.7%	2,193.5	731.1	0.655%	0.653%	-	167.7	71.3
9/9/2021	5-year	148	6/20/2026	0.005%	8,972.0	2,030.4	▲0.101%	▲0.103%	-	468.7	184.5
9/16/2021	20-year	177	6/20/2041	0.4%	3,146.8	982.6	0.416%	0.412%	-	216.4	-
9/28/2021	40-year	14	3/20/2061	0.7%	1,514.4	599.7	0.770%	-	-	-	46.8
9/30/2021	2-year	429	10/1/2023	0.005%	10,569.4	2,490.3	▲0.114%	▲0.115%	-	509.1	100.2

Auction Results (Treasury Discount Bills)

(Until 30 September 2021)

Auction Date	Type of Security	Issue Number	Maturity Date	Amounts of Competitive Bids (billion yen)	Amounts of Bids Accepted (billion yen)	Yield at the Lowest Accepted Price	Yield at the Average Price	Amounts of Bids Accepted at the Non-price-competitive Auction I (billion yen)
7/2/2021	3-month	1005	10/4/2021	15,479.70	4,886.62	▲0.0962%	▲0.0998%	1,113.30
7/8/2021	6-month	1006	1/11/2022	13,019.30	2,769.97	▲0.1096%	▲0.1116%	630.00
7/9/2021	3-month	1007	10/11/2021	13,966.60	4,316.17	▲0.1002%	▲0.1038%	983.80
7/15/2021	3-month	1008	10/18/2021	21,068.15	4,315.68	▲0.1062%	▲0.1070%	984.30
7/19/2021	1-year	1009	7/20/2022	12,005.80	2,853.07	▲0.1178%	▲0.1178%	646.90
7/20/2021	6-month	1010	1/25/2022	12,038.40	2,768.95	▲0.1176%	▲0.1215%	631.00
7/21/2021	3-month	1011	10/25/2021	15,344.33	4,333.12	▲0.1042%	▲0.1098%	966.80
7/30/2021	3-month	1012	11/1/2021	16,818.60	4,317.40	▲0.1022%	▲0.1062%	982.50
8/5/2021	6-month	1013	2/10/2022	12,098.60	2,764.06	▲0.1189%	▲0.1189%	635.90
8/6/2021	3-month	1014	11/8/2021	19,743.85	4,061.30	▲0.1074%	▲0.1106%	938.60
8/13/2021	3-month	1015	11/15/2021	21,560.40	4,061.85	▲0.1122%	▲0.1122%	938.10
8/19/2021	1-year	1016	8/22/2022	11,984.20	2,844.07	▲0.1271%	▲0.1320%	655.90
8/20/2021	3-month	1017	11/22/2021	20,406.20	4,061.24	▲0.1162%	▲0.1239%	938.70
8/24/2021	6-month	1018	2/25/2022	15,061.70	2,765.85	▲0.1248%	▲0.1308%	634.10
8/27/2021	3-month	1019	11/29/2021	18,547.40	4,061.86	▲0.1162%	▲0.1202%	938.10
9/3/2021	3-month	1020	12/6/2021	18,263.39	4,061.84	▲0.1142%	▲0.1194%	938.10
9/9/2021	6-month	1021	3/10/2022	10,001.50	2,763.05	▲0.1168%	▲0.1189%	636.90
9/10/2021	3-month	1022	12/13/2021	16,844.90	4,061.84	▲0.1122%	▲0.1174%	938.10
9/16/2021	1-year	1023	9/20/2022	9,498.60	2,884.07	▲0.1101%	▲0.1161%	615.90
9/17/2021	3-month	1024	12/20/2021	18,916.20	4,061.85	▲0.1094%	▲0.1135%	938.10
9/21/2021	6-month	1025	3/25/2022	13,693.50	2,763.55	▲0.1100%	▲0.1141%	636.40
9/24/2021	3-month	1026	1/6/2022	15,497.42	4,072.96	▲0.1300%	▲0.1383%	927.00

Auction Calendar for Oct. 2021 – Dec. 2021

Auction Date	Issue	Auction Date	Issue	Auction Date	Issue	Auction Date	Issue
10/1(Fri)	T-Bills (3-month)	10/25(Mon)	Liquidity Enhancement Auction (remaining maturities of 1.5-39 years)	11/18(Thu)	20-year	12/10(Fri)	T-Bills (3-month)
10/5(Tue)	10-year	10/27(Wed)	2-year	11/19(Fri)	T-Bills (3-month)	12/14(Tue)	T-Bills (6-month)
10/7(Thu)	T-Bills (6-month)	10/29(Fri)	T-Bills (3-month)	11/22(Mon)	Liquidity Enhancement Auction (remaining maturities of 1-5 years)	12/14(Tue)	Liquidity Enhancement Auction (remaining maturities of 5-15.5 years)
10/7(Thu)	Liquidity Enhancement Auction (remaining maturities of 5-15.5 years)	11/1(Mon)	10-year	11/24(Wed)	T-Bills (6-month)	12/15(Wed)	T-Bills (1-year)
10/8(Fri)	T-Bills (3-month)	11/4(Thu)	10-year Inflation-Indexed Bonds	11/25(Thu)	40-year	12/16(Thu)	T-Bills (3-month)
10/12(Tue)	30-year	11/5(Fri)	T-Bills (3-month)	11/26(Fri)	T-Bills (3-month)	12/16(Thu)	20-year
10/14(Thu)	5-year	11/9(Tue)	T-Bills (6-month)	11/30(Tue)	2-year	12/23(Thu)	Liquidity Enhancement Auction (remaining maturities of 1.5-39 years)
10/15(Fri)	T-Bills (3-month)	11/9(Tue)	30-year	12/2(Thu)	10-year	12/27(Mon)	2-year
10/19(Tue)	T-Bills (1-year)	11/11(Thu)	Liquidity Enhancement Auction (remaining maturities of 5-15.5 years)	12/3(Fri)	T-Bills (3-month)		
10/19(Thu)	20-year	11/12(Fri)	T-Bills (3-month)	12/7(Tue)	30-year		
10/21(Thu)	T-Bills (6-month)	11/16(Tue)	5-year	12/9(Thu)	T-Bills (6-month)		
10/22(Fri)	T-Bills (3-month)	11/18(Thu)	T-Bills (1-year)	12/9(Thu)	5-year		

Note.1: The above calendar may be changed or added in light of changes in circumstances. In such cases, it will be announced in advance.

Note.2: Each issue amount will be announced about one week prior to each auction date.

Top 10 PDs for Successful Bids in Auctions (Weighted by Duration) (Apr. 2021~Sep. 2021)

1	Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.
2	Daiwa Securities Co. Ltd.
3	Mizuho Securities Co., Ltd.
4	Nomura Securities Co., Ltd.
5	JPMorgan Securities Japan Co., Ltd.

6	SMBC Nikko Securities Inc.
7	Deutsche Securities Inc.
8	Citigroup Global Markets Japan Inc.
9	BNP Paribas Securities (Japan) Limited
10	Morgan Stanley MUFG Securities Co., Ltd.

Top 5 PDs for Successful Bids of Inflation-Indexed Bond (FY2020)

1	Goldman Sachs Japan Co., Ltd.
2	JPMorgan Securities Japan Co., Ltd.
3	Mizuho Securities Co., Ltd.
4	Barclays Securities Japan Limited
5	Nomura Securities Co., Ltd.

Liquidity Enhancement Auctions and JGB Buy-Back

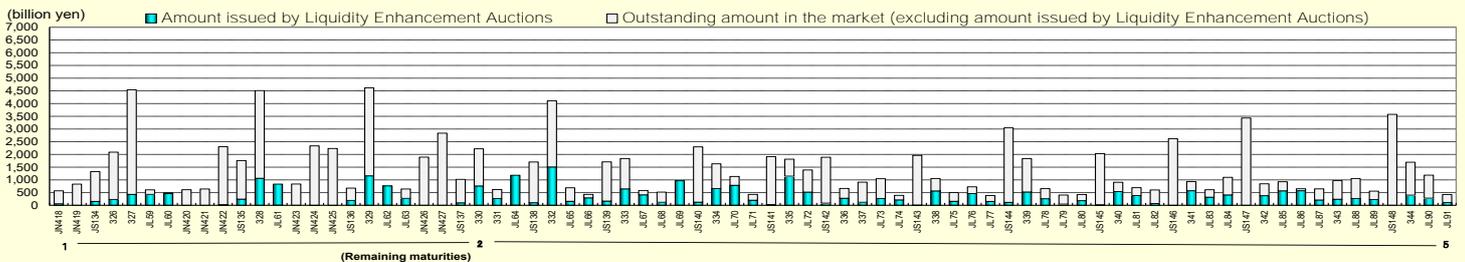
Results of Liquidity Enhancement Auctions

(Until 30 September 2021)

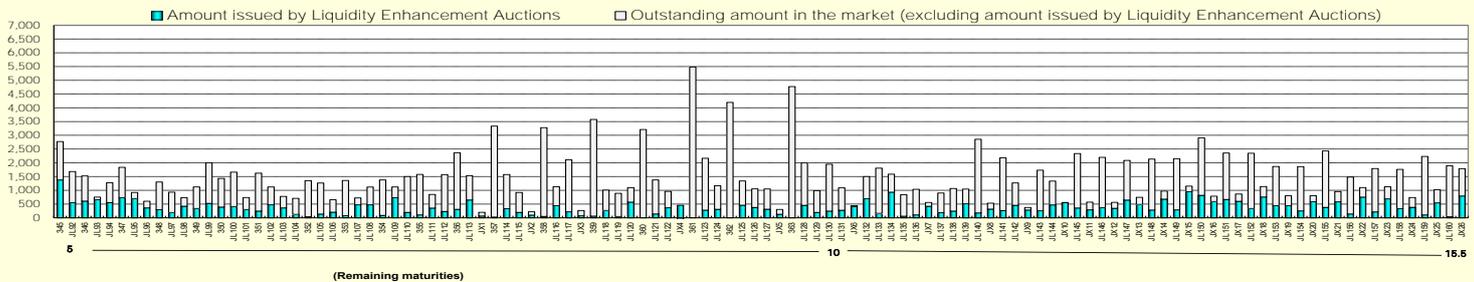
Auction Date	Amounts of Competitive Bids (billion yen)	Amounts of Bids Accepted (billion yen)	Average Accepted Spread	Highest Accepted Spread	Issues Re-opened
7/15/2021	1,929.2	399.3	▲0.005%	▲0.002%	2-year(414,415,416,417,424) 5-year(135,136,137,138,139,140,142,143,144,145,146) 10-year(326,328,329,330,333,334,335,336,337,338,339,340,341,343) 20-year(58,59,61,63,68,71,72,74,75,76,79,80,81,82,83,84,85,86,87,88)
7/20/2021	1,590.0	498.8	▲0.012%	▲0.011%	10-year(345,348,350,354,355,356,357) 20-year(95,96,99,101,112,113,136,140,142,143,144,146,150,151,152,159) 30-year(3,13,16,17,20,23,24,25)
8/13/2021	1,546.2	498.2	▲0.003%	▲0.001%	10-year(344,345,349,350) 20-year(90,93,94,99,102,103,104,111,112,113,123,125,126,150,151,152,157,158,159) 30-year(7,20,25)
8/19/2021	1,078.8	498.8	+0.004%	+0.008%	20-year(160,169,174) 30-year(27,29,30,31,33,40,50,51,52,56,62,68,69) 40-year(2,3,4,6,8,9,10,13)
9/14/2021	2,109.2	497.2	▲0.002%	▲0.001%	10-year(348,349,358) 20-year(91,92,93,94,95,97,98,99,100,101,102,103,104,105,107,108,112,143,144,148,149,150,151,152,154,156,158) 30-year(16,22)
9/21/2021	1,620.8	398.8	▲0.007%	▲0.005%	5-year(135,139,141,142,143,144,145,147) 10-year(326,329,330,332,333,334,335,336,337,338,339,340,341,342) 20-year(64,66,67,68,70,71,72,73,75,77,78,79,80,82,83,86,88)

Target Zones of Liquidity Enhancement Auctions for the Third Quarter of FY 2021

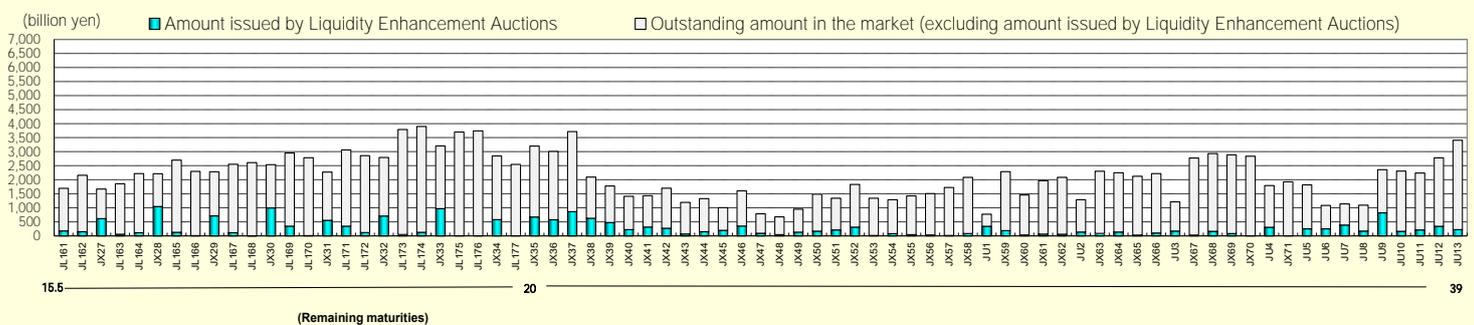
① Remaining maturity : approx. 1 - ~5 - year



② Remaining maturity : approx. 5 - ~15.5 - year



③ Remaining maturity : approx. 15.5 - ~39 - year



Note1 : JN shows 2 - year JGBs. JS shows 5 - year JGBs. JL shows 20 - year JGBs. JX shows 30 - year JGBs. JU shows 40 - year JGBs. Outstanding amount is as of the end of August 2021.
Note2 : All issues in the graph above will be eligible afterward.

10-year Inflation-Indexed

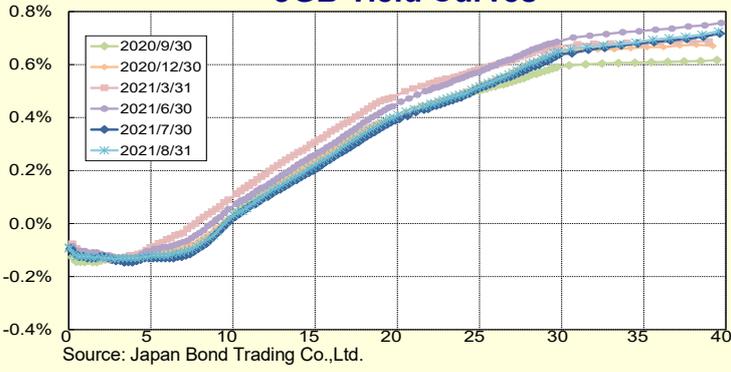
Buy-Back Results

(Until 30 September 2021)

Auction Date	Amounts of Competitive Bids (billion yen)	Amounts of Bids Accepted (billion yen)	Average Accepted Spread (yen)	Highest Accepted Spread (yen)	Issue Numbers
6/21/2021	253.9	50.1	▲0.328	▲0.22	17, 18, 19, 20, 22, 23, 24, 25
7/7/2021	201.7	50.0	▲0.182	▲0.17	17, 18, 25
8/25/2021	99.2	50.1	▲0.050	▲0.05	18, 19, 20
9/10/2021	209.7	50.0	▲0.042	0.04	17, 18, 19, 20, 22, 25

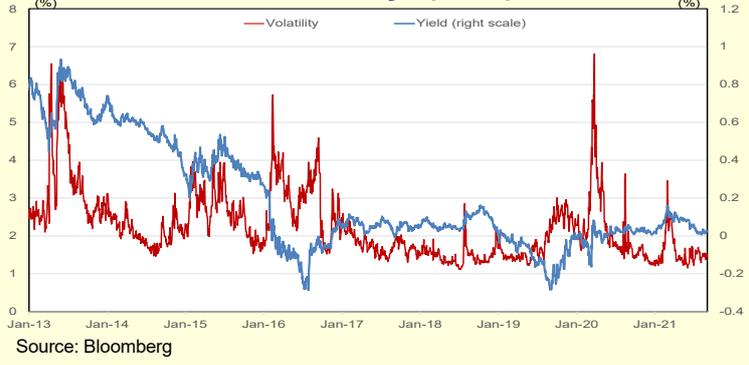
JGB Secondary Market

JGB Yield Curves



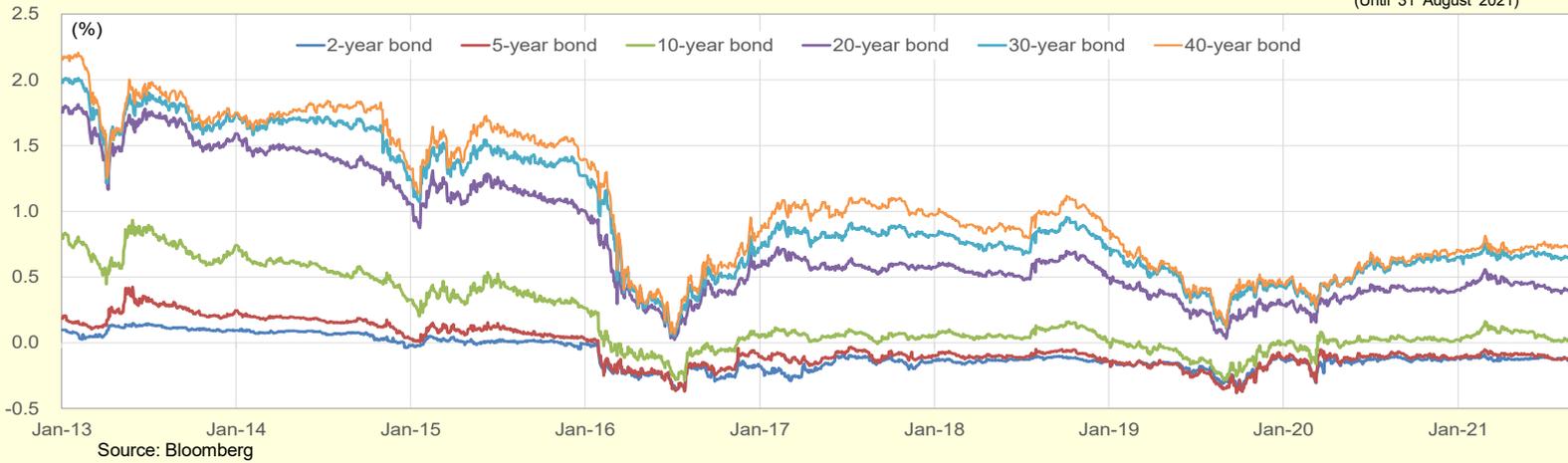
Yield and Volatility (10Yr)

(Until 31 August 2021)



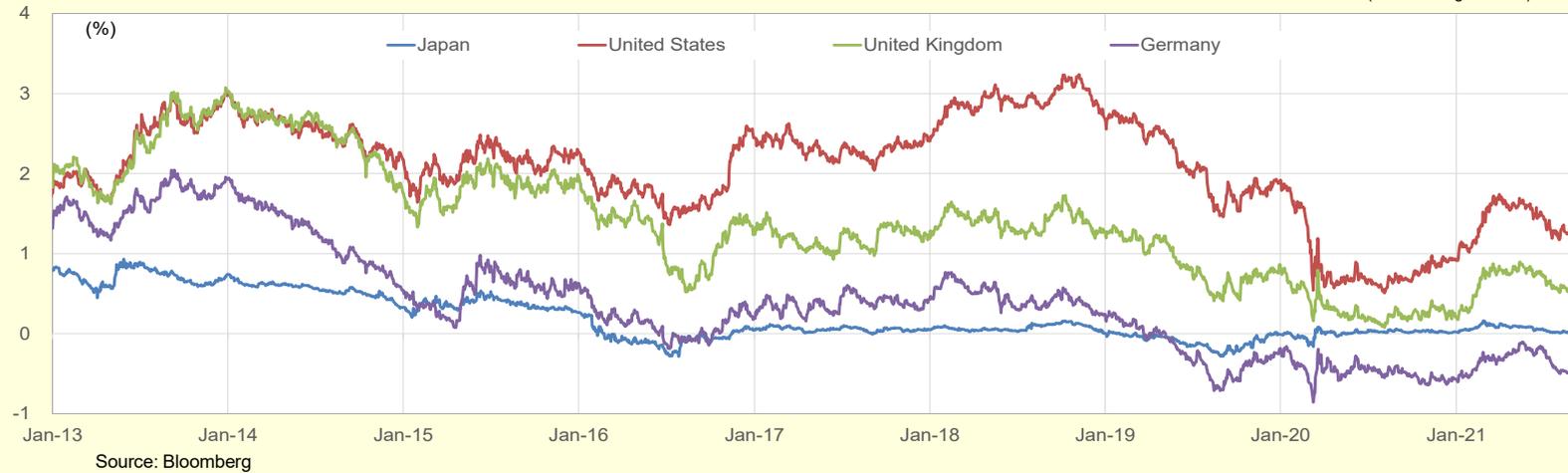
Yields of JGB

(Until 31 August 2021)



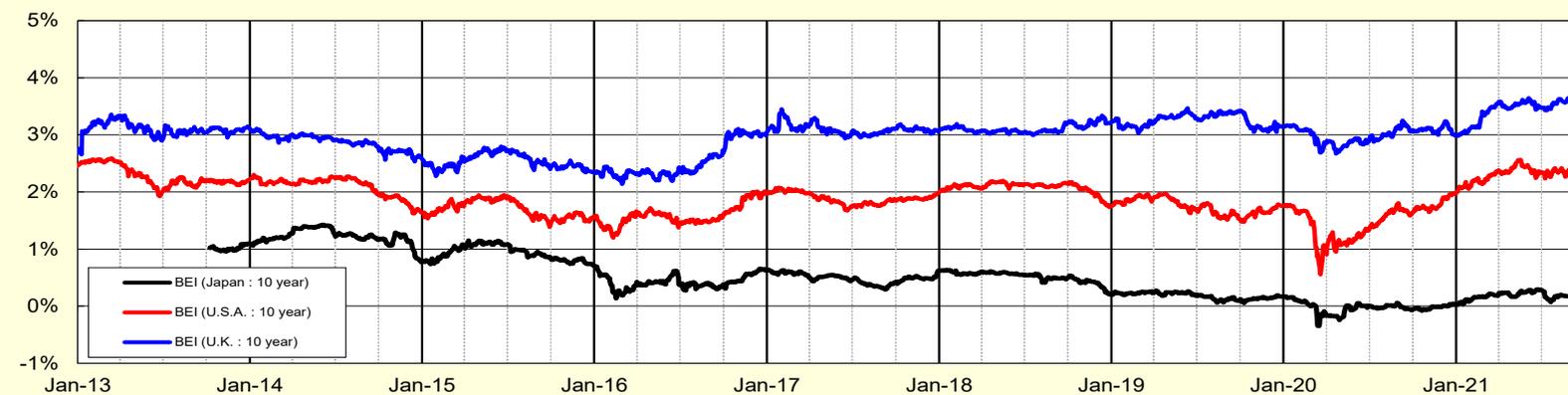
Long - Term Interest Rates (10Yr)

(Until 31 August 2021)



Break-Even Inflation Rates

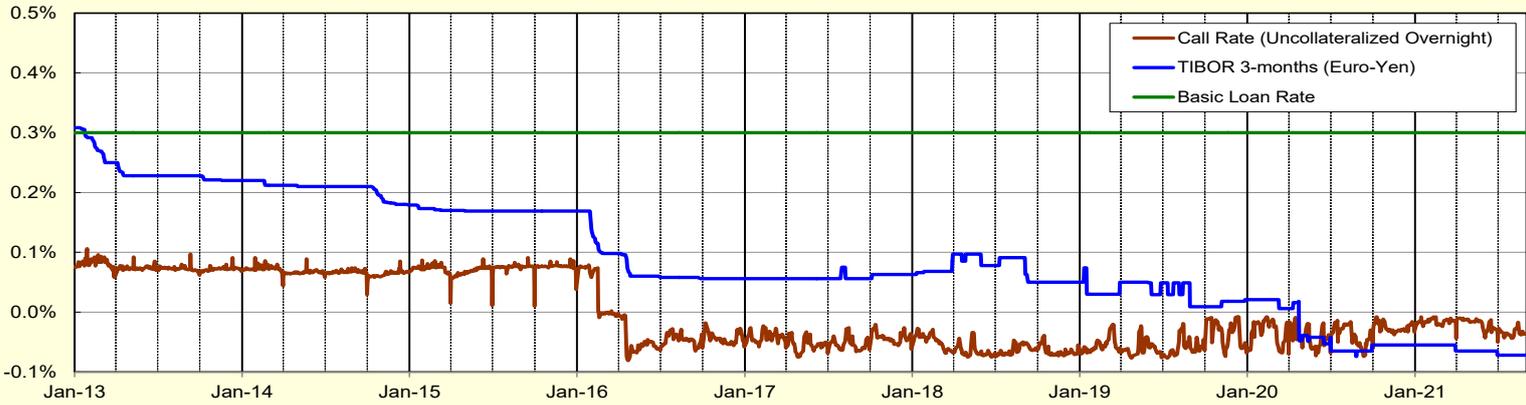
(Until 31 August 2021)



Note: BEI (Japan: 10 year) is calculated based on the compound interest rate of the new Inflation-Indexed Bonds and the 10-Year Bonds
 Sources: Japan: Calculation by the Ministry of Finance based on the information on interest rates offered by NIKKEI QUICK.
 U.S.A., U.K.: Bloomberg.

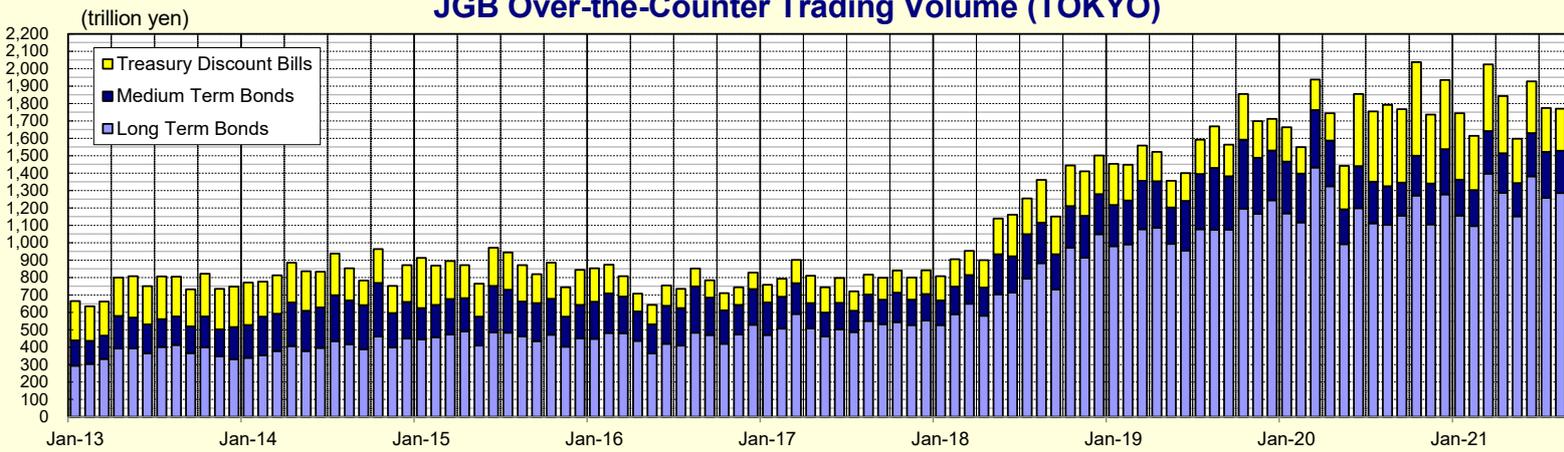
Short-Term Interest Rates

(Until 31 August 2021)



Sources: Bank of Japan, Tanshi Association, Bloomberg

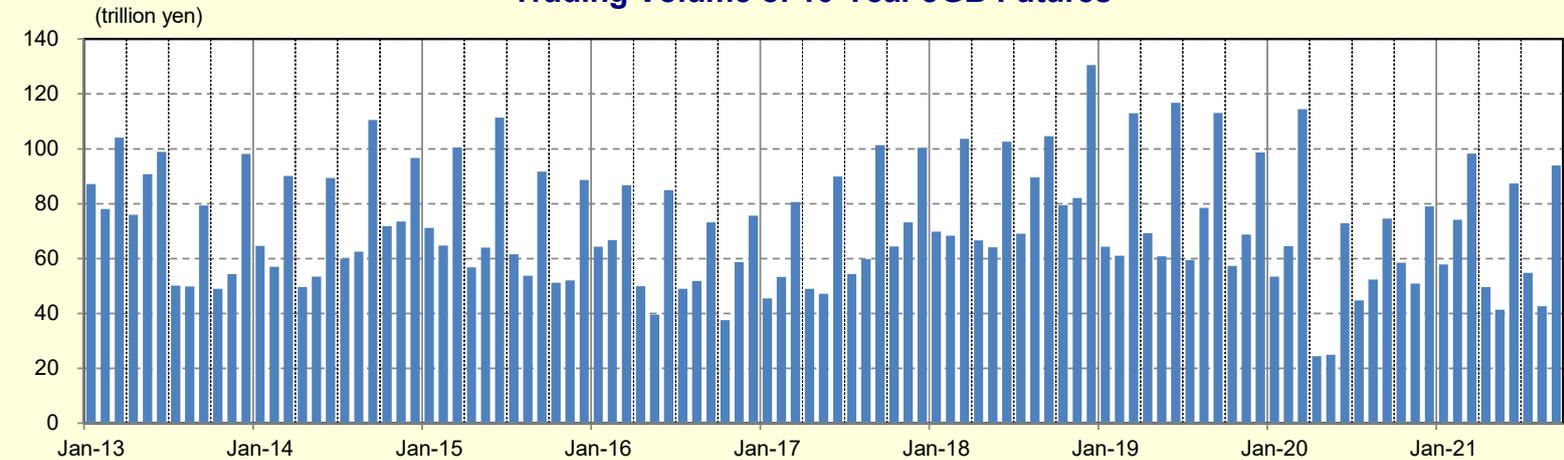
JGB Over-the-Counter Trading Volume (TOKYO)



Note: Trading volume is the sum of sales and purchases including the trading volume of bonds with repurchase agreements.

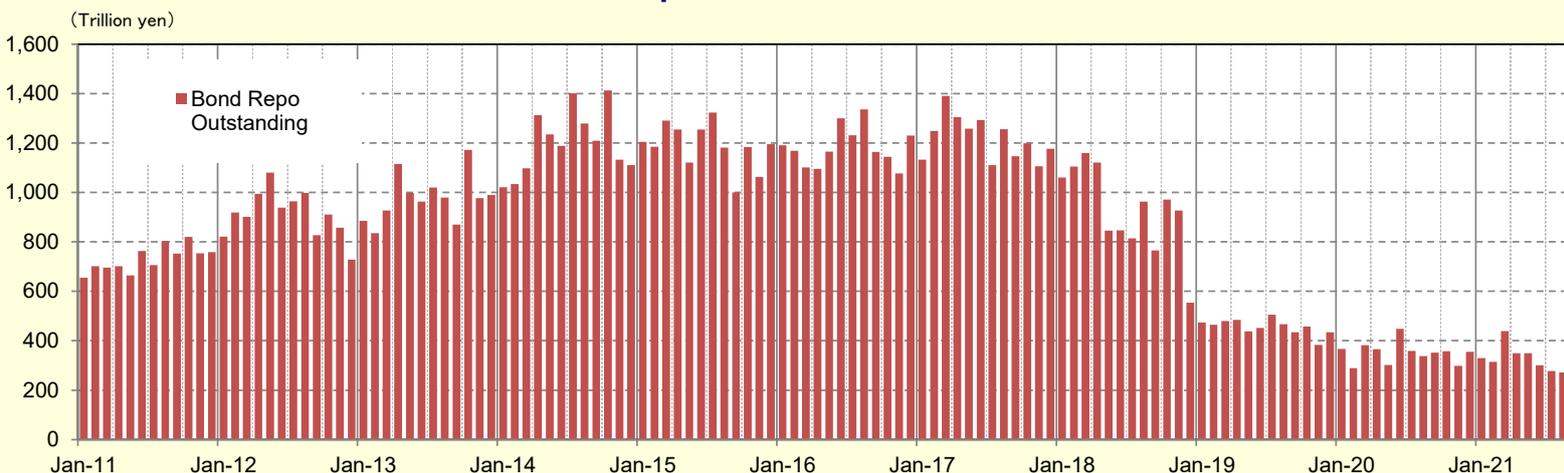
Source: Japan Securities Dealers Association

Trading Volume of 10-Year JGB Futures



Sources: Tokyo Stock Exchange (until Mar.2014), Osaka xchange (from Apr. 2014)

Repurchase Transactions

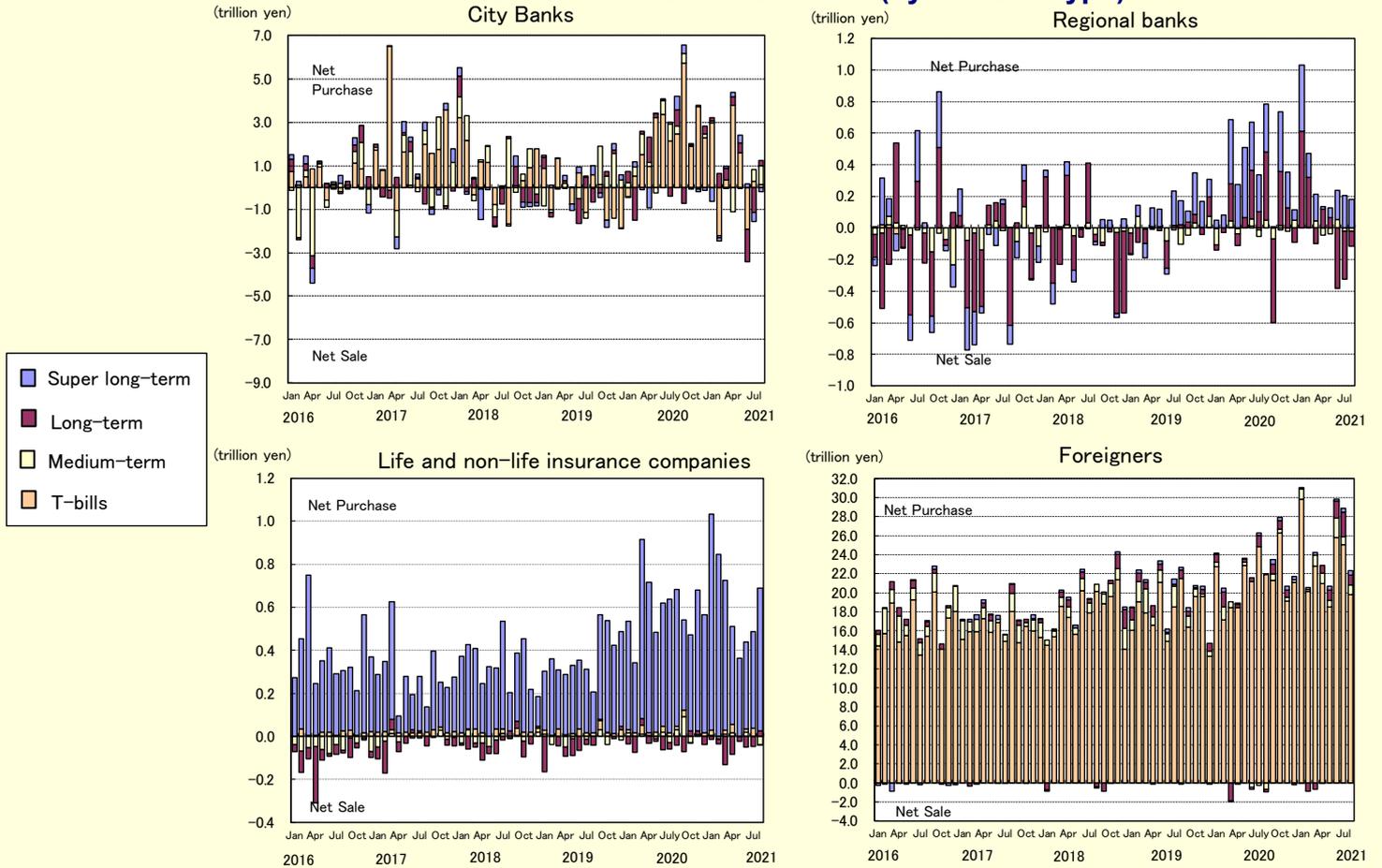


Note: Repurchase transactions do not include Bond-Gensaki.

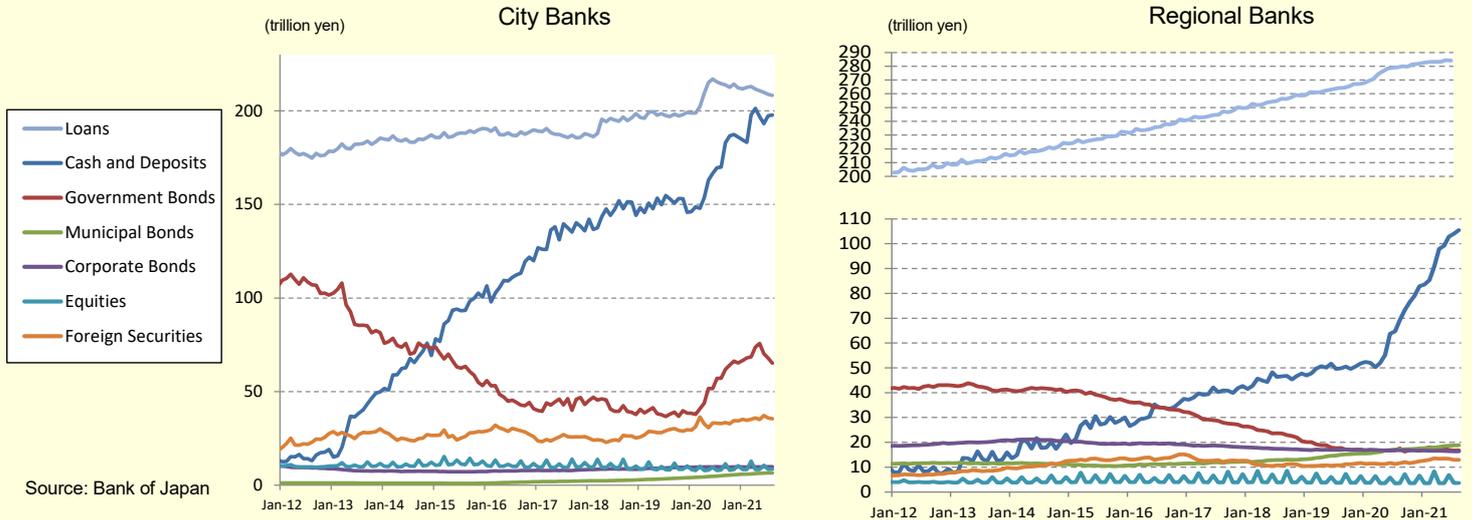
Source: Japan Securities Dealers Association

Investor Trends and JGB Outstanding

Trends in JGBs Transactions (by investor type)

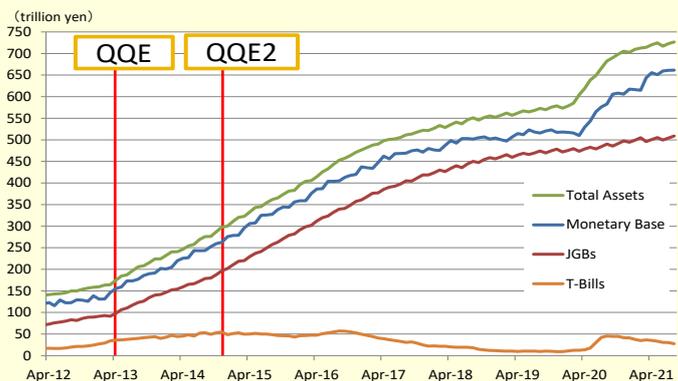


Trends in Bank Assets by Types



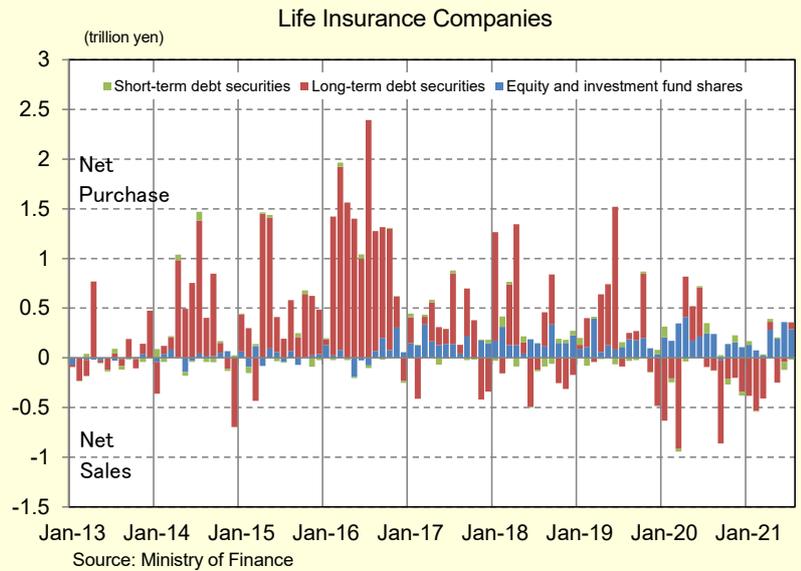
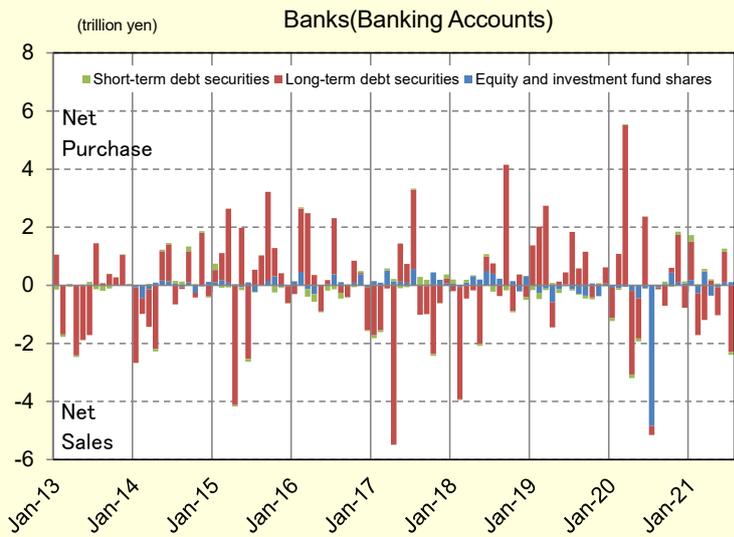
BOJ Trends

	Apr 2013 (Actual)	Aug 2021 (Actual)
Monetary Base	155	661
JGBs	98	509
T-Bills	36	27
CP	1.4	3.2
Corporate Bonds	2.9	7.9
ETFs	1.7	36.2
J-REITs	0.13	0.65
Total Assets	175	727

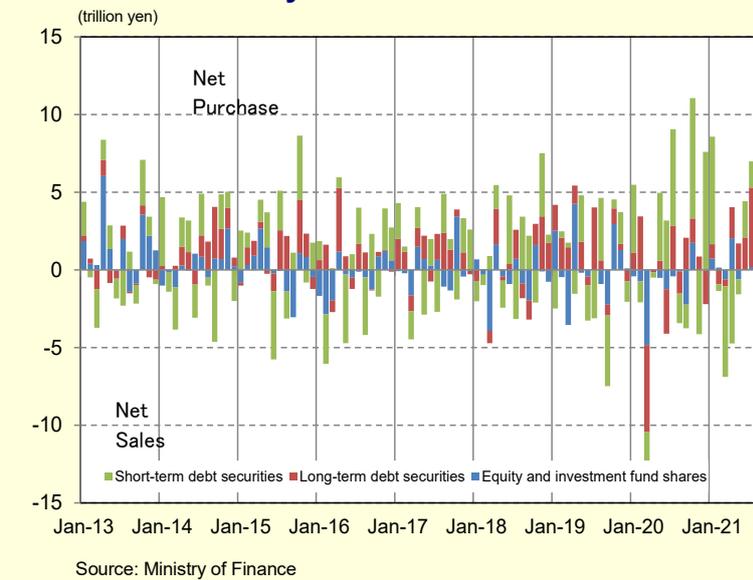


Source: Bank of Japan

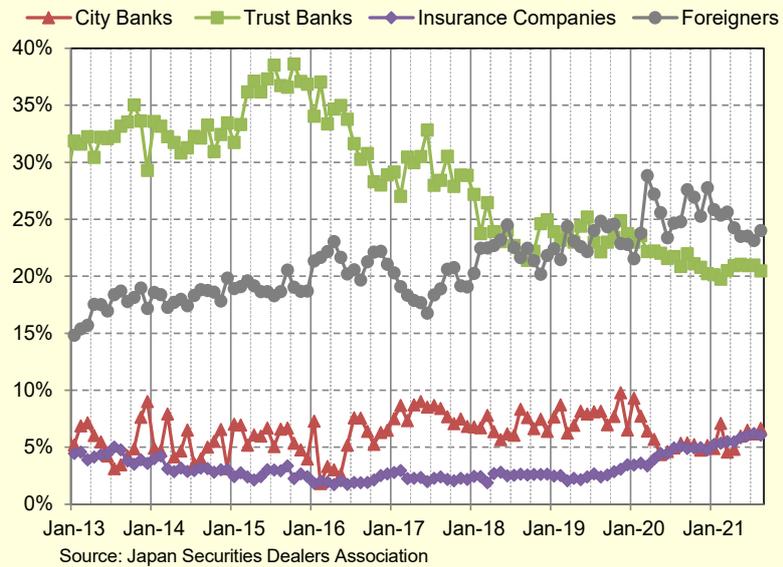
Transactions of Foreign Securities by Residents (by Investor types)



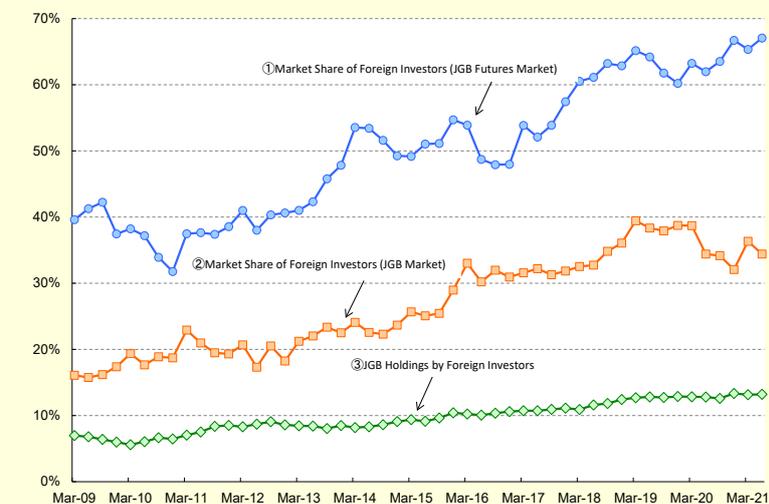
Transactions of Domestic Securities by Non-Residents



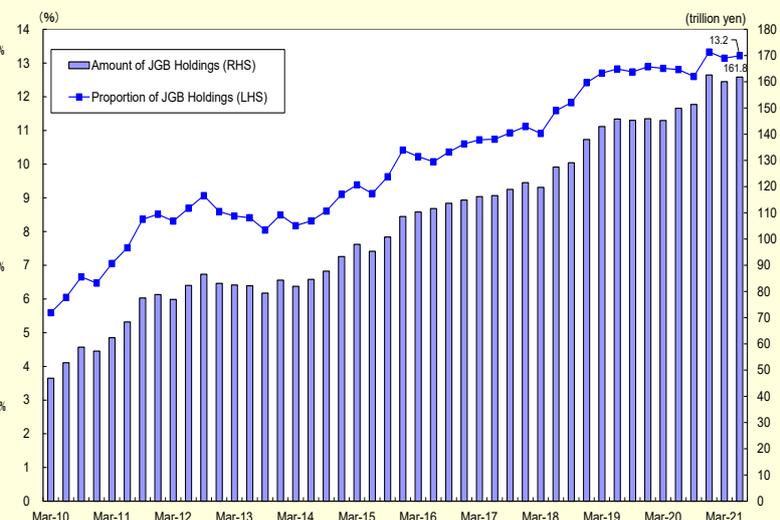
Outstanding of Repurchase Agreements (by Investor types)



Foreign Investors Presence



JGBs Holdings by Foreign Investors

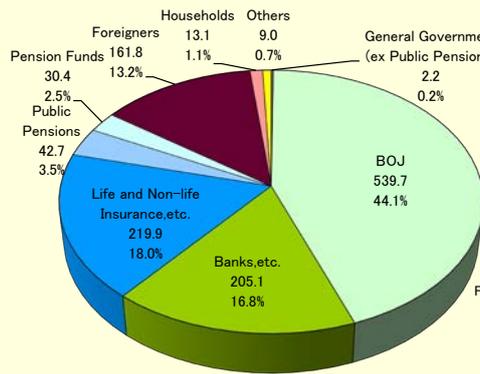


Note.1: Quarterly basis.
 Note.2: "JGB" includes T-Bills. The figures of ② excludes dealers' transactions.
 Sources: Bank of Japan, Japan Securities Dealers Association, Tokyo Stock Exchange, Osaka Exchange

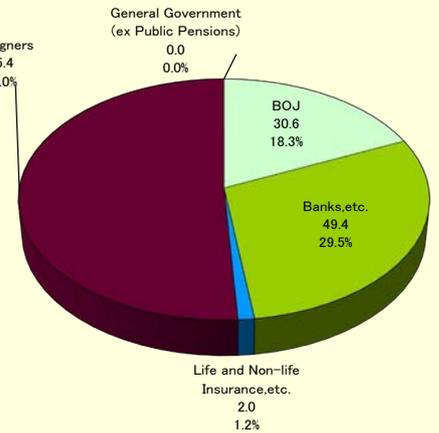
Note.1: Quarterly basis.
 Note.2: "JGB" includes "FILP Bonds" and "T-Bills".
 Source: Bank of Japan

Breakdown by JGB and T-Bill Holders (The end of Jun. 2021 QE)

JGB and T-Bill Holders (trillion yen)

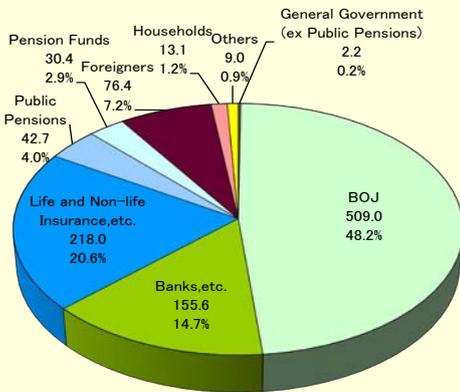


T-Bill Holders



Total 1,223.9 trillion yen

JGB Holders



Total 1,056.4 trillion yen

Total 167.5 trillion yen

Note1: "JGB" includes "FILP Bonds."

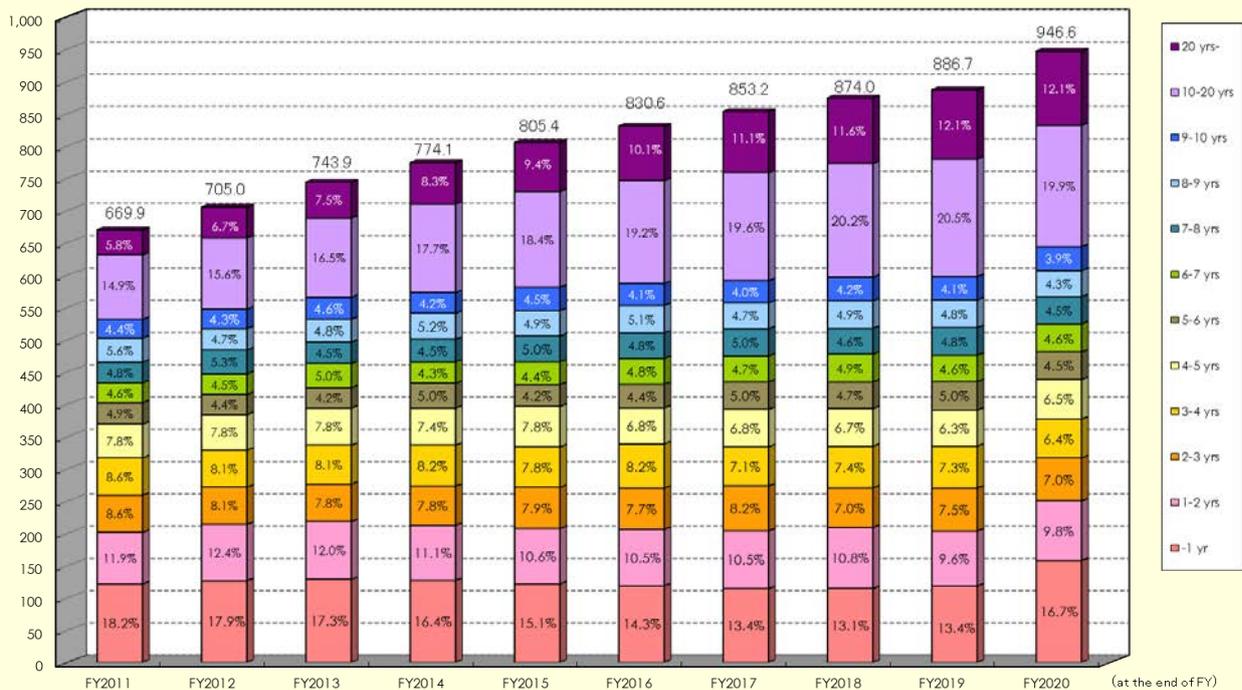
Note2: "Banks, etc." includes "Japan Post Bank," "Securities investment trust" and "Securities companies."

Note3: "Life and Non-life insurance, etc." includes "Japan Post Insurance."

Source: Bank of Japan "Flow of Funds Accounts (Preliminary Figures)"

Breakdown of Outstanding Amount of General Bonds by Remaining Years to Maturity

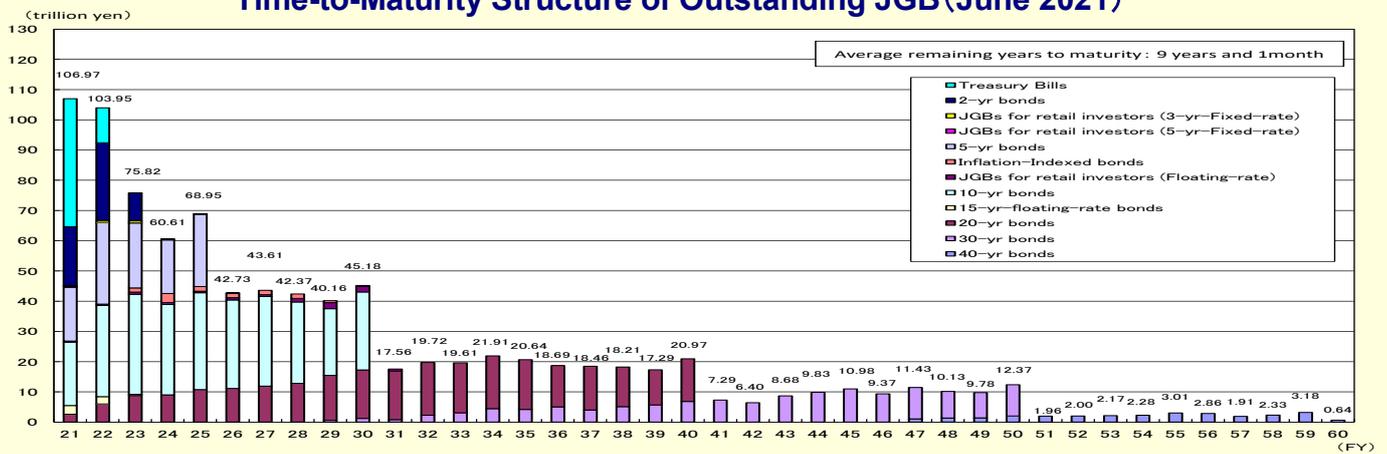
(Unit: trillion yen)



Average YTM*	7Y0M	7Y3M	7Y7M	8Y0M	8Y5M	8Y7M	8Y10M	9Y0M	9Y2M	8Y11M
Average YTM* (excluding saving bonds)	7Y1M	7Y5M	7Y8M	8Y0M	8Y5M	8Y8M	8Y11M	9Y1M	9Y2M	8Y11M

*years to maturity

Time-to-Maturity Structure of Outstanding JGB (June 2021)



Source: Ministry of Finance

Scheduled redemption of JGB at maturity in October, 2021

Types	The amount of redemption at maturity	Scheduled redemption date
2-Year Bonds	2,012.2	October 1
Treasury Bills (1-Year)	3,500.0	October 20
Total	5,512.2	

(billion yen)

Note.1: The figures are based on the outstanding JGBs at the end of August, 2021

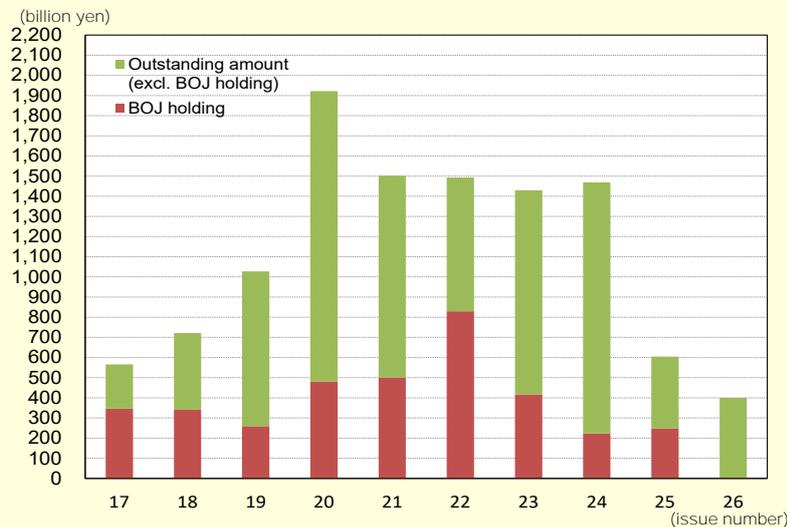
Note.2: The figures are the scheduled redemption at maturity and may be different from the actual redemption due to Buy-back of JGBs.

Note.3: The figures do not include "JGB for Retail Investors."

Note.4: If the redemption date coincides with bank holiday, the payment of redemption is carried out on the following business day.

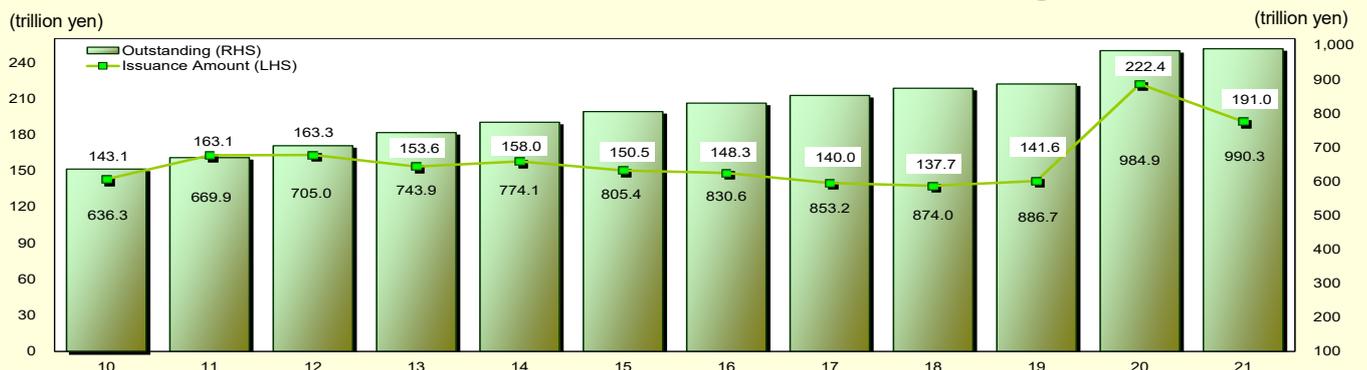
Note.5: Figures may not sum up to total because of rounding.

Market-held Balance of the Inflation-Indexed Bonds (as of the end of August, 2021)



Sources: Ministry of Finance, Bank of Japan

General Bonds Issuance Amount and Outstanding



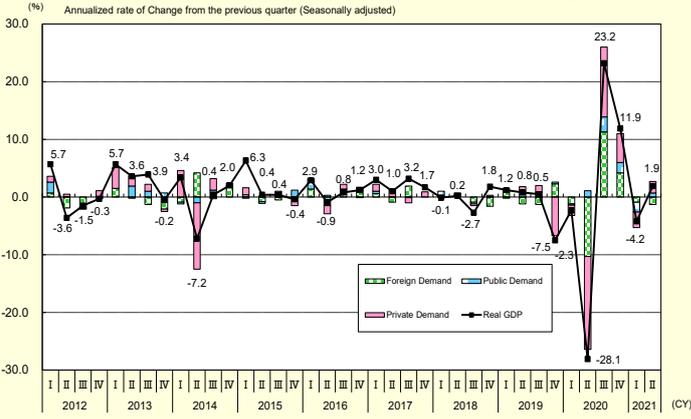
Note 1: Issuance Amount: revenue basis, FY2010-2019: Actual, FY2020: Supplementary budget, FY2021: Initial budget

Note 2: Outstanding: nominal basis, FY2010-2019: Actual, FY2020: Supplementary budget, FY2021: Initial budget

Source: Ministry of Finance

Economic and Financial Trends

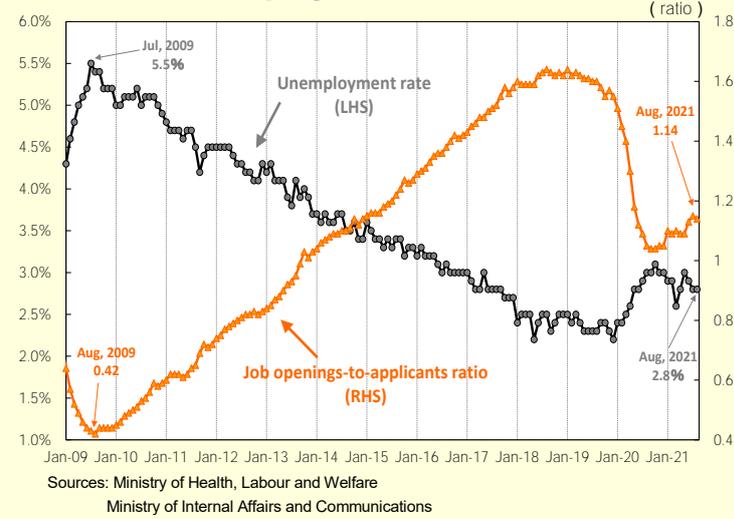
Real GDP Growth Rate



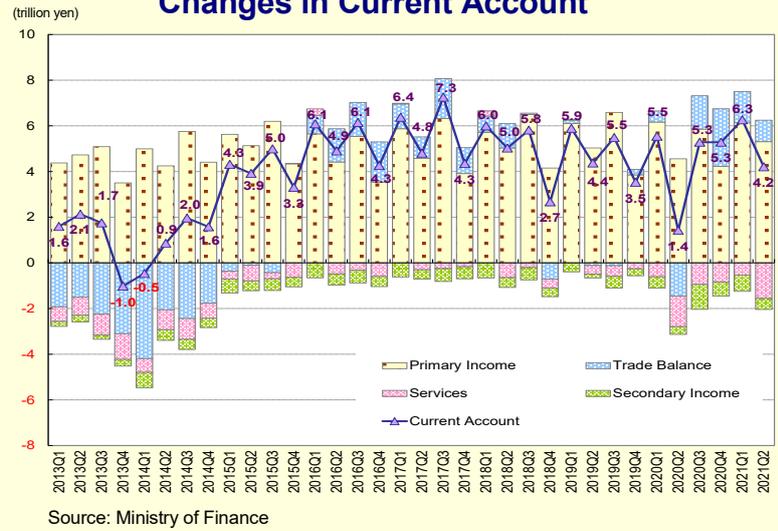
Prices



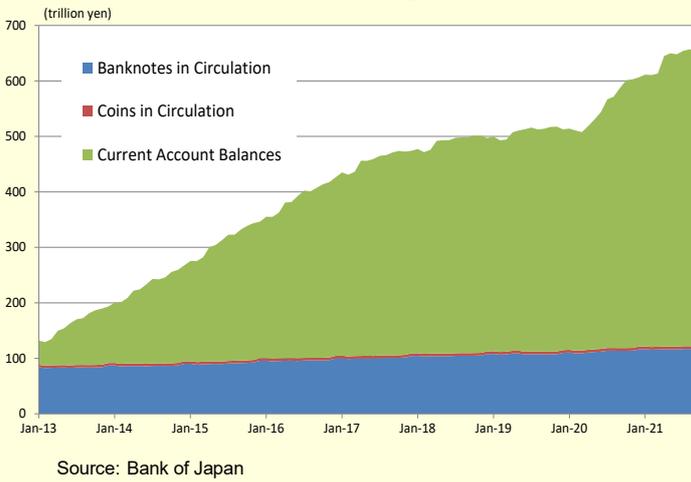
Employment Conditions



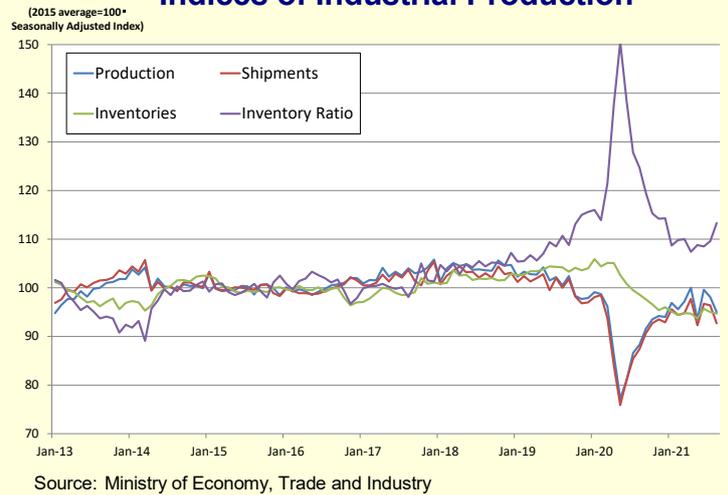
Changes in Current Account



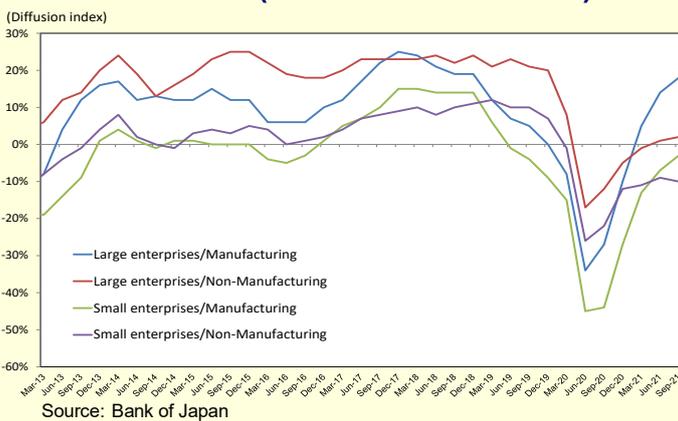
Monetary Base



Indices of Industrial Production



TANKAN (Business Conditions)



Total Value of Machinery Orders (Private Sector excl. Volatile orders)



English Publications on JGBs	Frequency	URL
Debt Management		
Message from the Financial Bureau	As needed	https://www.mof.go.jp/english/jgbs/debt_management/message.htm
About JGBs	As needed	https://www.mof.go.jp/english/jgbs/debt_management/guide.htm
About the Debt Management Policy	As needed	https://www.mof.go.jp/english/jgbs/debt_management/about.htm
JGB Issuance Plan	As needed	https://www.mof.go.jp/english/jgbs/debt_management/plan/index.htm
Auction Calendar		
Auction Calendar	Monthly	https://www.mof.go.jp/english/jgbs/auction/calendar/index.htm
Historical Data of Auction Results	Monthly	https://www.mof.go.jp/english/jgbs/auction/past_auction_results/index.html
Topics		
Product Characteristics of the JGB	As needed	https://www.mof.go.jp/english/jgbs/topics/bond/index.html
Treasury Discount Bills (T-Bills)	As needed	https://www.mof.go.jp/english/jgbs/topics/t_bill/index.htm
Japanese Government Guaranteed Bonds	Annual	https://www.mof.go.jp/english/jgbs/topics/gov_guaranteed_bonds/index.htm
Interest Rate Swap	Semiannual	https://www.mof.go.jp/english/jgbs/topics/swap/index.htm
Taxation of Government Bonds	As needed	https://www.mof.go.jp/english/jgbs/topics/taxation2016/index.html
For Individual Investors	As needed	https://www.mof.go.jp/english/jgbs/topics/individual/index.htm
Data		
Central Government Debt	Quarterly	https://www.mof.go.jp/english/jgbs/reference/qbb/index.htm
Interest Rate	Daily	https://www.mof.go.jp/english/jgbs/reference/interest_rate/index.htm
STRIPS	Monthly	https://www.mof.go.jp/english/jgbs/reference/jgbstat/index.htm
Dialogue with the market		
Advisory Councils on Government Debt Management	Each Meeting	https://www.mof.go.jp/english/about_mof/councils/gov_debt_management/index.html
Meeting of JGB Market Special Participants	Each Meeting	https://www.mof.go.jp/english/about_mof/councils/jgbsp/index.html
Meeting of JGB Investors	Each Meeting	https://www.mof.go.jp/english/about_mof/councils/jgb_investor/index.html
Publications		
Debt Management Report	Annual	https://www.mof.go.jp/english/jgbs/publication/debt_management_report/index.htm
JGB Newsletter	Monthly	https://www.mof.go.jp/english/jgbs/publication/newsletter/index.htm

To subscribe to our Newsletter mailing list,
please email: JGB-IR@mof.go.jp

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Web: <https://www.mof.go.jp/>